

WARREN COUNTY BOARD OF SUPERVISORS

COMMITTEE: **OCCUPANCY TAX COORDINATION**

DATE: September 6, 2006

Committee Members Present:

Supervisors Caimano
Gabriels
Kenny
Merlino
Wm. Thomas
Haskell

Others Present:

Joan Parsons, Commissioner of Administrative &
Fiscal Services
Joan Sady, Clerk of the Board
Paul Dusek, County Attorney
Supervisor Champagne
Supervisor Barody
Supervisor Monroe
Supervisor Stec
Supervisor Geraghty
Supervisor F. Thomas
Supervisor Belden
Maury Thompson, *The Post-Star*
Debra L. Schreiber, Legislative Office Specialist

Committee Members Absent:

Supervisors Tessier

Mr. Caimano called the meeting to order at 8:35 a.m.

Mr. Caimano began by explaining the purpose of this special meeting was to discuss the Public Authority bill and whether legislation would be passed that could ultimately lead to the construction of a convention center. He remarked a majority of the feedback he had received was negative. He reported Warren County currently spent approximately \$2 million in tourism promotion to receive \$300 million in gross tourism income annually. According to the recent Pinnacle Report, he said Warren County could expect to earn an additional \$17 million per year if a convention center were built in Warren County.

Mr. Caimano stated he would like to review some of the facts surrounding this project:

- Movement had begun regarding the Lake George property (Wood property) to presume Warren County should purchase the property without the authority and, therefore, the linkage between the two entities was unnecessary.
- The Public Authority would require Warren County to expend much of the Occupancy Tax dollars when a majority of these funds were currently utilized profitably.
- The State of New York had given Saratoga County \$20 million to expand its already successful convention center and had given Albany \$300 million and Lake Placid \$12 million. Warren County would be competing with these surrounding counties that already had a jumpstart.
- This County had a family tourism destination that had yet to maximize its current resources and there were many vacancies midweek in July and August

- as well as fulfilling June and September.
- The Upper Hudson Railroad was in its infancy and the community was perfect for small to mid-size business meetings.
- Warren County should not indebt itself to become something it was not or could not become. There were few conventions that would come to Warren County in the off-season and the debt service would still require payment.

Based upon these known facts, Mr. Caimano said he proposed forwarding to the full Board of Supervisors a resolution informing the Legislature that Warren County was hereby rescinding its request for a sports authority with thanks to the Legislators for their efforts. While he stated he understood many of the issues that had been raised concerning outside and private enterprise seeking to construct a convention center in this location, Warren County still had the same opportunity without the Public Authority.

Motion was made by Mr. Caimano and seconded by Mr. Haskell to authorize a resolution stating that Warren County wished to rescind its request for a creation of sports authority.

Chairman Thomas commented while he thought the sports authority was a good recommendation, more importantly the authority had to be funded. He reminded the committee that the supervisors decided not to utilize the General Fund; therefore, the necessary funds would be drawn from Occupancy Tax and there was not sufficient revenue to support the authority. Chairman Thomas said without enough revenue, he was unsure why the County would form an authority they could not support.

Mr. Monroe agreed with Chairman Thomas and he said he felt there were better uses for the Occupancy Tax funds. Furthermore, he said he did not realize that upon the formation of the authority, the County was mandated to assume responsibility for the Glens Falls Civic Center.

Mr. Haskell added he was in favor of the sports authority and thought the connection between the Glens Falls Civic Center and the convention center would be appealing. He said Warren County made tourism a top priority and emphasized the time had come for the Town and Village of Lake George, as well as the County to step forward to revitalize the area. Due to many unanswered questions, Mr. Haskell stated he would vote in favor of the motion. He noted the Fire Chiefs' Convention was a perfect example of the need for a convention center, adding the restaurants, motels and area businesses were thriving during their short stay.

Mr. Stec concurred with Mr. W. Thomas' position. He said he felt a venture such as this should be an easy decision and the Pinnacle report did not suggest there were enough Occupancy Tax funds to encompass a \$50 million loan. While he still supported the convention center, he said the time might not be right.

Mr. Gabriels said he did not understand the negotiations that were ongoing with the State of New York with regard to the potential acquisition of the Gaslight Village property. He stated they had the opportunity to put forth the resolution but the Legislature was not going to take any action for the next few months. In the mean time, he said he would like additional information on the relationship between the proposed sports authority and the potential acquisition of the Gaslight Village property.

Regarding the purchase of the Gaslight property, Mr. Barody added he had been working with Mr. Dusek to obtain flexibility for the County but he felt they were premature in putting forth this resolution. The County had yet to put out RFQ's (request for quotes) that would encourage a public/private partnership for the development of this property prior to the Legislature going back into session and if these recommendations were considered, he said he might be in favor of the proposed resolution. He stated he understood people were nervous about the debt ceiling but reminded the committee the County was attempting to qualify for those funds, not necessarily utilize the entire cap.

Paul Dusek, County Attorney, explained the Gaslight Village property was on the market by the Wood Foundation and the County could enter into a simple real estate transaction to purchase the property without any legislation. Pursuant to New York State law, when property is purchased, he said there must be a purpose and currently the County could acquire the property (without any convention authority) if they constructed a government building, park, parking lot, open space or for conservation, just to name a few. If it became the desire of the County to purchase the land for one of these particular purposes, he said there was a "public trust" that they would not change the use of the property without a special act of the New York State Legislature. However, upon doing some research, Mr. Dusek apprised the County could only preserve the property for convention center purposes if they had the authority created; otherwise, he said the property must be utilized for the purchased purpose.

Mrs. Caimano queried whether the County could suggest utilizing the Industrial Development Agency or the Glens Falls Civic Center authority as the "vehicle" to put a convention center on this site. Mr. Dusek replied that was possible; however, the City of Glens Falls would become a party to the agreement.

From the beginning, Mr. Kenny stated, he had supported the idea of the convention center; however, he admitted he was wrong. He said he believed people did not want to come to Lake George in November, December, January, February, March and April and, therefore, the building would be vacant. People enjoyed visiting during the summer months when motels/hotels thrived and local businesses were not interested in conventioners during this time due to their (the conventions) strict budgets. When he originally voted for the authority, he said he thought the Glens Falls Civic Center language was the saving grace to the project. Mr. Kenny related as far as he was concerned, the purchase of the Gaslight Village property was a slippery slope to a

convention center and for that reason he would support the motion because he felt this deserved the attention of the full Board. However, he said at the time this matter came before the full Board of Supervisors, he would vote against it because of the Glens Falls Civic Center.

If they examined Saratoga County, Mr. Merlino said, their convention business was not being expanded for July and August months but rather the fall and winter season. He said he disagreed with the Pinnacle report and encouraged people not to give up on the convention center.

Mr. Haskell amended the motion to include the request to come before the full Board of Supervisors meeting in November. Mr. Caimano seconded the amended motion to present to the full Board of Supervisors a resolution to rescind the request for a sports authority at the November 17, 2006 meeting.

Mr. Merlino queried if they had to utilize the sports authority if it was obtained. Mr. Dusek responded once it was created, it became its own separate entity. He said the Board then had a responsibility to appoint members to the authority as well as fund it so the County could not construct the building and not do anything with it. Mr. Monroe stated he understood the legislation to say that Warren County was not mandated to create the authority; however, once it was created, the authority became mandated to take over the Glens Falls Civic Center. Mr. Dusek replied the New York State Legislature created the authority and it became the job of the County to appoint members and perform the work.

After discussion, Mr. Caimano called the question to bring the resolution to rescind the request for a sports authority before the full Board of Supervisors at the November 17, 2006 Board of Supervisors meeting. The motion was carried unanimously.

There being no further business to come before the committee, on motion by Mr. Kenny and seconded by Mr. Haskell, Mr. Caimano adjourned the meeting at 9:05 a.m.

Respectfully submitted,

Debra L. Schreiber, Legislative Office Specialist